

Opening Statement of the Honorable Lee Terry
Subcommittee on Commerce, Manufacturing, and Trade
Hearing on “Keystone’s Red Tape Anniversary: Five Years of Bureaucratic Delay and
Economic Benefits Denied”
September 19, 2013

(As Prepared for Delivery)

Thank you for being here today as we mark five years of jobs and economic benefits that have been denied by this administration’s refusal to approve the Keystone XL pipeline.

Today marks day number 1,826 – five years to the day since the original permits were filed to build the Keystone XL pipeline. To put this delay into perspective, it took our greatest generation just over 1,300 days to fight and win World War II. It took Lewis and Clark just over 1,100 days to walk the Louisiana Purchase and back, and it took just over 1,400 days to build the Golden Gate Bridge.

Now, according to President Obama’s own State Department analysis, the Keystone XL pipeline will create over 42,000 jobs.

With us today we have Ron Kaminski, who is my constituent and also a respected labor leader in Omaha. Ron will tell us that it is indisputable that this project will create jobs.

We’ll also hear from those along the route. Dennis Houston, President and CEO of the Norfolk Area Chamber of Commerce, will testify to the benefits of building the Keystone XL pipeline on the local economy. During the construction of the first Keystone pipeline, the project became the third largest employer in Norfolk, Nebraska and had a \$10 million dollar economic impact for rural Nebraska.

But these jobs Keystone is creating aren’t just in Nebraska. Mr. Delie, the President of Welspun Tubular, who has contracted with TransCanada to actually make the pipe for the Keystone XL pipeline, will testify that this project so far has created over 600 jobs in one-and-a-half years. I believe the operative words here are “so far”, because there is still the northern route of the Keystone XL to be approved and built. Mr. Delie’s company has already made an economic impact of \$108 million dollars.

How much more of an economic impact could building the rest of the Keystone XL pipeline have, and how many more jobs could be created by approving this critical infrastructure project? Without construction of the northern route, these benefits to our nation of builders are denied.

The uncertainty and political gamesmanship from this administration is weakening our trade relationship with Canada, who also happens to be our country’s number one trading partner.

In our trade relationship with Canada, 90 cents of every dollar used to purchase Canadian goods and services—including oil—are returned to our economy by Canadians buying American goods and services.

The Keystone XL pipeline is not only in our economic interest; it’s plainly in our national security interest. We’ve seen in the last two weeks just how much instability in the Middle East affects the price at the pump. With our oil and natural gas plays here in North America, we now have the option to become energy independent.

Why wouldn’t we want to have our energy come from middle America rather than the Middle East?

These opportunities are game changers and there is no reason why we should continue to deny these economic benefits. During the last five years that this administration has denied building the Keystone XL pipeline, it has acted on other critical infrastructure projects.

One of those critical projects includes the southern leg of the Keystone XL pipeline. Construction is nearing completion on the southern portion of the Keystone XL project. While President Obama really had nothing to do with approving this portion of Keystone XL, he took credit for it; even posed for pictures with the pipes in Cushing, OK.

And, the administration has approved another vital cross-border pipeline with Canada – the Alberta Clipper. In approving the Alberta Clipper pipeline, which coincidentally is sourced from the same oil sands as Keystone, the State Department said:

“The Department found that the addition of crude oil pipeline capacity between Canada and the United States will advance a number of strategic interests of the United States. These include increasing the diversity of available supplies among the United States’ worldwide crude oil sources in a time of considerable political tension in other major oil producing countries and regions; shortening the transportation pathway for crude oil supplies; and, increasing crude oil supplies from a major non- OPEC producer.

Canada is a stable and reliable ally and trading partner of the United States, with which we have free trade agreements, which augment the security of this energy supply.”

The State Department went on to say of the Alberta Clipper:

“Approval of the permit sends a positive economic signal, in a difficult economic period, about the future reliability and availability of a portion of United States energy imports, and in the immediate term. This shovel-ready project will provide construction jobs for workers in the United States.”

With logic like this, I don’t know why it’s not time to build the Keystone XL pipeline.

With the stroke of a pen, the State Department can deem this project in the national interest.

If the price instability of oil and the instability in the Middle East can’t convince Secretary John Kerry that approval of the Keystone XL pipeline is in our national and economic interest, then we need to seriously question this administration’s commitment to job creation here at home.

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